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January 8, 2004

Via Electronic Filing

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Re:

Ex Parte Presentation

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket Nos. 01-338, 96-98, 98-147

Dear Ms. Dortch:

On January 8, 2004, the attached letter was sent to Chairman Powell and Commissioners Abernathy, Adelstein, Copps, and Martin on behalf of ACN Communication Services, Inc., AT&T Corp., Bullseye Telecom, Inc., CompTel, Eschelon Telecom, Inc., General Communication, Inc., KMC Telecom, MCI, Mpower Communications Corp., NewSouth Communications Corp., NuVox, Inc., Sage Telecom, Inc., and XO Communications.

Pursuant to the Commission's rules, 47 C.F.R. § 1.1206(b), this letter is being provided to you for inclusion in the public record of the above-referenced proceeding. Please let me know if you have any questions regarding this submission.

Sincerely,

/s/ A. Renée Callahan
A. Renée Callahan

Attachment

January 8, 2004

Chairman Michael K. Powell Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Commissioner Kathleen Q. Abernathy Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Commissioner Jonathan Adelstein Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554 Commissioner Michael J. Copps Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Commissioner Kevin J. Martin Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Ex Parte Presentation, Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket Nos. 01-338, 96-98, 98-147

Dear Chairman Powell and Commissioners:

On October 2, 2003, BellSouth Communications ("BellSouth") filed a petition for reconsideration of the *UNE Triennial Review Order*, seeking additional relief from the Commission's unbundling requirements. Although the precise nature of the relief requested is not entirely clear from the petition, BellSouth appears to seek to broaden the scope of the unbundling relief provided for fiber-to-the-home ("FTTH" or Fiber-to-the-Premises ("FTTP")) as much as possible, for example, by extending this relief to fiber-to-the-curb ("FTTC"). Many

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978 (FCC 03-36) (2003), as modified by Errata, 18 FCC Rcd 19020 (FCC 03-227) (2003) ("UNE Triennial Review Order").

Petition for Clarification and/or Partial Reconsideration, CC Docket No. 01-338 (Oct. 2, 2003).

The Commission's rules provide that "[a] fiber-to-the-home loop is a local loop consisting entirely of fiber optic cable, whether dark or lit, and serving an end user's customer premises." 47 C.F.R. § 51.319(a)(3). The FTTH relief granted in the order does not extend to DS1 and DS3 loops, which are treated in the enterprise section, and are not covered by the rules regarding mass market loops.

of the undersigned parties filed oppositions to BellSouth's petition and continue to oppose grant of that petition in any respect. Extending unbundling relief to FTTC loops will hinder the deployment of true FTTH loops, which the Commission has recognized will "significantly enhance the broadband capabilities a carrier can deliver to consumers." Only all-fiber FTTH loops, unconstrained by the copper bottleneck, hold the promise of a symmetric, truly future-proof channel, with virtually unlimited capacity. And the record in this proceeding fully supports this notion. For instance, the Fiber to the Home Council ("FTTH Council"), in a recent ex parte, recognized that FTTC and FTTH are not equivalent and that "[a]ll copper-based distance-limited 19th Century technologies will foster digital divide." For example, while fiber can support gigabits or even terabits per second (i.e., over 1,000,000 Mb/s), "copper-based standards flatline at 40 Mbps." Moreover, "FTTP is distance and capacity unlimited and thus can provide any bandwidth demand growth to any US consumer." It is thus clear that the hybrid fiber-copper FTTC is not equivalent to the all-fiber FTTH loop. Therefore, the Commission must deny BellSouth's request and reiterate its holding from the UNE Triennial Review Order that the "definition of FTTH loops excludes such intermediate fiber deployment architectures."

If the Commission were to make any clarifications to the broadband portion of the *UNE Triennial Review Order*, however, it would be essential for the Commission to maintain and clarify the distinction in the *UNE Triennial Review Order* between "greenfield" construction and "brownfield" construction.

In the *UNE Triennial Review Order*, the FCC determined that incumbent LECs are not required to provide nondiscriminatory access to unbundled FTTH loops deployed to serve newbuild, or "greenfield," "customer premises that previously ha[ve] not been served by any loop facility," and that "require entirely new construction of local loops (in addition to the deployment of the necessary switching and other network equipment)." The FCC's rules, however, require incumbent LECs to provide narrowband access to FTTH where those loops are deployed "parallel to, or in replacement of, an existing copper loop facility." Therefore, the

⁴ UNE Triennial Review Order ¶ 278.

Only FTTP Can Meet the Future Bandwidth Needs for All Consumers With a Cost-Effective Business Case at 3, attached to letter from Walter Steimel, Jr., Counsel for the FTTH Council, to Marlene Dortch, FCC Secretary, CC Docket No. 01-338 (Dec. 16, 2003).

⁶ *Id.* at 11.

⁷ *Id*.

⁸ UNE Triennial Review Order ¶ 275 n.811.

⁹ 47 C.F.R. § 51.319(a)(3)(i).

¹⁰ UNE Triennial Review Order ¶ 227.

¹¹ 47 C.F.R. § 51.319(a)(3)(ii).

FCC's rules draw a clear distinction between the treatment of FTTH loops deployed to serve "new builds" or "greenfield" premises and those used in "overbuild" or "brownfield" situations.

In order to minimize the potential for differing interpretations of the scope of any regulatory relief for "greenfield" loops, the Commission should clarify its rules regarding "new builds" or "greenfield" construction to incorporate concepts that are currently in the text of the order. This would include clarifying that the definition of FTTH loops encompasses only newly constructed all-fiber loops that do not rely on legacy feeder or distribution plant and that FTTH loops consist entirely of fiber from the incumbent LEC central office all the way out to the loop demarcation point at a mass market end-user customer premises. In addition, the definition should expressly establish the date after which a loop would need to be constructed to be considered a "New Build." Consequently, the Commission should clarify the definition of "New Builds" in 47 C.F.R. § 51.319(a)(3)(i) to read as follows:

"New Builds (or 'Greenfield Local Loops'). An incumbent LEC is not required to provide nondiscriminatory access to a fiber-to-the-home loop on an unbundled basis when the incumbent LEC deploys such a loop to a mass market end user's customer premises that previously has not been served by any loop facility. For purposes of this subsection, a "fiber-to-the-home loop" is an all-fiber local loop extending from the incumbent LEC central office to the loop demarcation point at a mass market end-user customer's premises that was newly constructed in its entirety by the incumbent LEC on or after October 2, 2003 (Effective Date of the UNE Triennial Review Order).

In conclusion, the Commission should deny BellSouth's petition for reconsideration in its entirety. To the extent that it grants any relief with regard to the rules governing access to FTTH loops, the FCC must clarify the definition of "new builds" as discussed above to avoid any potential confusion regarding the precise contours of the relief granted.

Sincerely yours,

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